Open Letter: Japan Should Seize the Golden Opportunity to Phase Out Fossil Fuels

Dear Japanese Prime Minister Fumio Kishida,

As ASEAN and Japanese leaders meet in Tokyo for their 50th anniversary commemorative summit under the theme of "Golden Friendship, Golden Opportunity," we, the undersigned 89 organizations from Southeast Asia, Japan and beyond, urge the Japanese government to seize the golden opportunity and support a swift, just and equitable transition from fossil fuels to renewable-based energy systems. We are deeply concerned that Japan's efforts to expand LNG and develop fossil-based technologies like hydrogen/ammonia/biomass co-firing will derail Southeast Asia's energy transition and further harm our communities and ecosystems.

We urgently need strong climate action to address the climate crisis. We are facing everintensifying heat waves, wildfires, floods and droughts, with local communities suffering the most. This year is set to be the hottest on record, highlighting the severity of climate change.¹ The World Weather Attribution (WWA)² specifically points to the April heat wave in Southeast Asia, a rare "once in 200 years" phenomenon that shattered temperature records in Thailand and Vietnam. Moreover, cities such as Jakarta and Tangerang in Indonesia face exceptionally prolonged periods of extreme heat.³

Strong climate action requires a fast, fair and equitable global fossil fuel phase-out. The latest International Energy Agency (IEA) report reaffirmed that alignment with the 1.5 °C goal requires no new oil, gas or coal project developments. Some existing projects should be shut down earlier due to the lower-than-previously-expected demand of oil and gas.⁴ The IPCC's latest report also points out that projected CO2 emissions from existing fossil fuel infrastructure are enough to warm the planet beyond 1.5 °C.⁵ The science is clear: we cannot develop new fossil fuel projects if we are to avoid the worst effects of climate change.

¹ EU's Copernicus Climate Change Service (C3S). <u>2023 on track to become the warmest year after record</u> <u>October</u>

² Extreme humid heat in South Asia Report, <u>World Weather Attribution. (2023).</u>

³ Earth's hottest 12-month streak. Climate Central. (2023)

⁴ IEA. September 2023. Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach. 2023 Update. ⁵ IPCC. 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of

Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)].

Further, the IEA estimates that to keep the world on track for the 1.5° C goal, investment in clean energy needs to triple by the early 2030s, from USD 1.8 trillion in 2023 to USD 4.5 trillion a year.⁶

Despite the scientific consensus, Japan continues to finance fossil gas expansion and is promoting technologies in Southeast Asia that prolong the use of coal, gas and oil, such as hydrogen/ammonia/biomass co-firing and carbon capture and storage (CCS). This is despite Japan's G7 commitment to end international public finance for fossil fuels. According to the Center for Energy, Ecology, and Development, Japan is the second biggest financier of fossil gas expansion in Southeast Asia, spending USD 10.03 billion from 2016-2023.

Under the framework of the Asia Zero Emission Community (AZEC) and the Asia Energy Transition Initiative (AETI), Japan is peddling gas as a bridge fuel that is necessary for the region's development. Gas is responsible for 22% of all greenhouse gas emissions from burning fossil fuels. New gas fields and expanded gas consumption in Asia are incompatible with maintaining the crucial 1.5°C climate goal which is a tipping point for frontline communities everywhere.

Japan's development of fossil-based technologies will block the region's shift to renewables and prolong the use of fossil fuels. Southeast Asia has abundant renewable energy resources, according to the International Renewable Energy Agency (IRENA)⁷ and the National Renewable Energy Laboratory (NREL),⁸ whose research is also cited by the Japanese government.⁹ Japan's push for fossil fuel projects in Southeast Asia will expose communities - who already live in one of the most climate vulnerable regions globally¹⁰ - to even more severe climate impacts. Supporting gas expansion also poses a bigger financial burden to electricity consumers in Southeast Asia, impeding their access to stable and affordable electricity as its market price rises exponentially with volatile gas prices.

Japan is promoting the burning of ammonia and biomass at coal plants and hydrogen at gas plants to supposedly help ASEAN governments transition to clean energy. However, hydrogen/ammonia/biomass co-firing are ineffective and will not reduce greenhouse gas emissions enough to reach our climate goals. Co-firing will prolong the lifetime of coal and gas plants when they should be shut down.

⁶ IEA. September 2023. Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach. 2023 Update.

 ⁷ IRENA and ACE. 2022. Renewable Energy Outlook for ASEAN: Towards a Regional Energy Transition.
 ⁸ National Renewable Energy Laboratory. June 2020. Exploring Renewable Energy Opportunities in Select Southeast Asian Countries: A Geospatial Analysis of the Levelized Cost of Energy of Utility-Scale Wind and Solar Photovoltaics.

⁹資源エネルギー庁. March 2023.「<u>カーボンニュートラル実現に向けた国際戦略</u>」

¹⁰ According to research by Germanwatch, Southeast Asian countries such as Myanmar, Philippines, Thailand, Vietnam and Cambodia consists of the 20 countries most affected by extreme weather events from 2000-2019. Germanwatch. 2022. Global Climate Risk Index 2021: Who Suffers Most from Extreme Weather Events?Weather-Related Loss Events in 2019 and 2000-2019.

CCS also cannot play a vital role for decarbonization in Asia. CCS is expensive, especially compared to the plummeting costs of wind and solar globally. The IEA says that CCS's track record "has largely been one of unmet expectations."¹¹ Through the Asia CCUS Network, Japan plans to export and store 22-27% of its domestic emissions to Southeast Asian countries, although historically, it is one of the biggest global emitters of greenhouse gasses and has a corresponding responsibility to reduce emissions more than developing countries¹² and to support developing countries in their decarbonization pathway. Despite this, Japanese corporations such as Mitsubishi Corporation, INPEX Corporation and Mitsui & Co., Ltd. are conducting feasibility studies for CCS at multiple gas fields throughout Indonesia.

Moreover, Japanese financing of fossil fuel development projects has already heavily damaged local communities and the environment across Southeast Asia. In the Verde Island Passage of the Philippines, a marine corridor known as the center of the center of marine shorefish biodiversity in the world, marine ecology¹³ and water quality¹⁴ have deteriorated due to industrial activities including fossil gas construction, some of which was financed by Japan; fisherfolk near the infrastructure are struggling to make ends meet because they catch fewer or no fish. Furthermore, air pollution caused by burning fossil fuels creates immensely negative health impacts on local communities. According to research, such air pollution was responsible for 8.7 million deaths globally in 2018.¹⁵

Instead of imposing fossil gas and fossil-based technologies on Southeast Asia, Japan can show true friendship towards ASEAN countries, and real leadership in climate action, by shifting the \$10.6 billion it spends each year on fossil fuels towards renewable energy.¹⁶

In financing energy transitions, Japan must ensure it does not exacerbate the debt burden in the Global South. This involves reevaluating financial arrangements, such as the predominant use of loans in Indonesia's Just Energy Transition Partnership (JETP), where Japan committed US\$1.7 billion¹⁷ and a comparatively smaller segment in grants.

We call upon Japan to immediately end its finance for all fossil gas,

hydrogen/ammonia/biomass co-firing, CCS and other false solutions and instead shift support to renewable energy which meets communities' needs and doesn't harm the communities.

¹¹ IEA. September 2023. Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach. 2023 Update. ¹² 地球環境産業技術研究機構(RITE)「2050 年カーボンニュートラルのシナリオ分析」総合資源エネルギー調査会 基本政策分科会. 2021.5. p.22.

¹³ CEED and Caritas Philippines. June 2022. <u>Marine Ecology Assessment Along the Coast of Fossil Gas-fired</u> <u>Power Plant and LNG Terminal within the Verde Island Passage, Northern Philippines</u>.

¹⁴ CEED and Caritas Philippines. June 2022. <u>The Trend of Water Quality in the Heavy Industrial Area of</u> <u>Batangas Bay East, Verde Island Passage, Philippines and its Surrounding Areas</u>.

¹⁵Karn Vohra, Alina Vodonos, Joel Schwartz, Eloise A. Marais, Melissa P. Sulprizio, Loretta J. Mickley. 2021. Global mortality from outdoor fine particle pollution generated by fossil fuel combustion: Results from GEOS-Chem. *Environmental Research* Vol 195.

¹⁶ Oil Change International. November 2022. Japan's Dirty Secret: World's top fossil fuel financier is fueling climate chaos and undermining energy security.

¹⁷ Indonesia's Just Energy Transition Partnership (JETP). November 2023. <u>Comprehensive Investment and</u> <u>Policy Plan (CIPP)</u>.

We urge Japan to take this "Golden Opportunity" to support ASEAN governments to reach their climate targets by helping phase out fossil fuels, protecting our communities and our planet.

Cc:

Ms. KAMIKAWA Yoko, Minister for Foreign Affairs
Mr. SUZUKI Shunichi, Minister of Finance
Mr. SAITO Ken, Minister of Economy, Trade and Industry
Mr. ITO Shintaro, Minister of the EnvironmentState Ministers for Foreign Affairs
State Ministers of Finance
State Ministers of Economy, Trade and Industry
State Ministers of the Environment
Mr. TANAKA Akihiko, President, Japan International Cooperation Agency (JICA)
Mr. HAYASHI Nobumitsu, Governor, Japan Bank for International Cooperation (JBIC)
Mr. KURODA Atsuo, Chairman and CEO, Nippon Export and Investment Insurance (NEXI)

Signatories

Indonesia

Wahana Lingkungan Hidup Indonesia (WALHI) Senik Centre Asia Trend Asia Koalisi Rakyat untuk Hak atas Air (KRuHA) AEER Palangkaraya Ecoligical and Human Rights Studies (PROGRESS) Publish What You Pay (PWYP) Indonesia

Malaysia

Environmental Protection Society Malaysia (EPSM) Sahabat Alam Malaysia - Friends of the Earth Malaysia Climate Action Network Southeast Asia

Philippines

Center for Energy, Ecology, and Development Legal Rights and Naural Resources Center - Friends if the Earth Philippines People of Asia for Climate Solutions

Thailand

Green South Foundation Rural Doctor Society Jet in Thailand Thai Climate Justice for All (TCJA)

SDG Move, Thammasat University

Timor Leste Francelino Dos Santos Serra Feminist Revolutionary

Japan

Friends of the Earth Japan Japan Center for a Sustainable Environment and Society (JACSES) Mekong Watch Fridays for Future Tokyo Greenpeace Japan 350.org Japan Kiko Network

Regional/International

Asian People's Movement on Debt and Development Asia Pacific Network of Environmental Defenders (APNED) 350.org Asia Greenpeace Southeast Asia (GPSEA) NGO Forum on ADB Oil Change International

Australia

The Australia Institute Jubilee Australia Friends of the Earth Australia Publish What You Pay Australia

Bangladesh

Waterkeepers Bangladesh Bangladesh Environmental Lawyers Association Life and Nature Safeguard Platform

India

Environics Trust Mineral Inheritors Rights Association

Nepal

Forum for Protection of Public Interest (Pro Public)/FoE Nepal

Pakistan

Pakistan Fisherfolk Forum Centre for Environmental Law and Community Rights Inc.

Papua New Guinea

CELCOR -Friends of the Earth Papua New Guinea

South Korea

Solutions for Our Climate (SFOC) FoE Korea

Sri Lanka

Centre for Environmental Justice/ FoE Sri Lanka

Canada

Climate Emergency Unit Wilderness Committee Doctors for Planetary Health Stand.earth

United States

Friends of the Earth US Texas Campaign for the Environment Nuclear Energy Information Service (NEIS) **TRUST** Climate Action Strategists Veterans for Climate Justice Greece Baptist Church Sustainability Team Wall of Women SEE (Social Eco Education) Highland Park Ecology and Environmental Group Port Arthur Community Action Network(PACAN) Rachel Carson Council American Baptist Churches of the Rochester Genesee Region Eco Justice Collaborative Earth Action. Inc. **Climate Generation** 350Hawaii Unite North Metro Denver International Marine Mammal Project of Earth Island Institute Terra Advocati Animals Are Sentient Beings, Inc. ColorBrightonGreen North American Climate, Conservation and Environment(NACCE) Vote Climate Don't Waste Arizona Intheshadowofthewolf

Argentine

Tierra Nativa / Amigos de la Tierra Argentina

Armenia Armenian Women For Health and Healthy Environment NGO /AWHHE/

D.R. Congo Innovation pour le Développement et la Protection de l'environnement

Germany urgewald

Ireland Friends of the Earth Ireland

Netherland Milieudefensie

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